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May 19, 1994

BY MESSENGER

Mr. William F. Caton, Secretary  
Federal Communications Commission  
1919 M Street, N.W., Room 222  
Washington, D.C. 20554

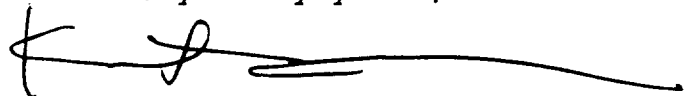
Re: Gen. Docket No. 90-314, PP Docket 93-253

Dear Mr. Caton:

Columbia PCS, Inc. ("Columbia"), pursuant to Section 1.1206(a)(2) of the Commission's Rules, 47 C.F.R. § 1.1206(a)(2) (1993), hereby notifies the Commission that representatives of Columbia met on May 18, 1994, with Byron F. Marchant, Esq. of the office of Commissioner Barrett. The matters discussed, particularly the need for a set-aside spectrum block, are contained in Columbia's written submission filed on April 22, 1994 in Gen. Docket 90-314. In addition, the attached materials and the general topic of bidding credits were discussed with Mr. Marchant.

Please direct any inquiries concerning this matter to the undersigned.

Very truly yours,



Kurt A. Wimmer

Attorney for Columbia  
PCS, Inc.

cc: Byron F. Marchant, Esq.

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**For Immediate Release**

**Contact: Scott Phillips  
Phillips + Associates, Inc.  
312-943-8858**

**FIDELITY CAPITAL TO INVEST IN COLUMBIA PCS**

**Partnership Plans to Acquire PCS Licenses; Build  
Nationwide Alliance of PCS Operators**

**ALEXANDRIA, Va., May 18, 1994** -- Columbia PCS Inc. announced today that Boston-based Fidelity Capital has committed in principle to make a substantial investment in Columbia PCS Limited Partnership to bid in auctions for Personal Communication Service (PCS) licenses and to operate PCS systems throughout the U.S.

The investment by Fidelity Capital is part of Columbia PCS Inc.'s plan to create a national alliance of other PCS providers in the telecommunications band that Congress directed the FCC to set aside for small businesses, women owned businesses, minority owned businesses and rural telephone companies. Once established, the alliance would provide for seamless nationwide PCS service using a single technology platform.

"PCS represents an unprecedented opportunity to provide our telecommunications customers with 'anytime, anywhere' communications, but it requires significant investment to reach its full potential," said Steven A. Zecola, president and chief executive officer of Columbia PCS. "This commitment by Fidelity Capital to become our anchor financing partner is an important step toward this very important goal."

**-more-**

**Columbia PCS/Fidelity Capital**  
**Page 2**

James P. Hynes, managing director of Fidelity's telecommunications investments, added: "We believe that PCS can afford the corporate workforce with tremendous increases in efficiency and productivity, as well as appeal to individuals. On a national scale, these networks can have an enormous impact on economic stimulation and job creation, offering immense opportunities for all participants in this wireless revolution," he said. "We're very excited about pursuing these opportunities in partnership with Columbia PCS."

Columbia PCS Inc. will continue to pursue financing with additional qualified partners.

Fidelity Capital is the new business development arm of the Fidelity Investments the nation's largest mutual fund company. Its mission is to identify, invest in, operate and grow new business with an emphasis on telecommunications, publishing, transportation, and niche financial services.

Columbia PCS Inc. was formed earlier this year by Columbia Capital Corporation and other investors to provide PCS services throughout the U.S.

For more information contact Columbia PCS at 703-518-5073.

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**IMPACT ON BID PRICE  
DUE TO WEIGHTED AVERAGE  
COST OF CAPITAL**

<b>Company Capitalization</b>	<b>Average Cost of Capital</b>	<b>Bid Price Per Pop</b>	<b>Designated Entity Discount Required</b>
Big 12 Telcos	10.0%	\$14.48	72.2%
	12.5%	\$12.19	67.0%
Alltel, SNET, TDS, Rochester	15.5%	\$8.18	50.9%
	17.0%	\$6.59	39.0%
Columbia PCS	20.0%	\$4.02	0.0%

Bid price per pop based on values contained in a study submitted to the Federal Communications Commission by Time Warner Telecommunications on September 10, 1993.

# **Large Capitalized US Telecommunications Companies**

## **Selected Statistics**

*In billions of Dollars*

Company	Revenue	EBIDAT(1)	Book Value(2)	Employees
Ameritech	\$11.7	\$5.0	\$7.8	67,200
Bell Atlantic	\$13.0	\$5.8	\$8.2	73,600
BellSouth	\$15.9	\$6.9	\$12.1	95,100
NYNEX	\$13.4	\$5.2	\$8.4	79,200
Pacific Telesis	\$9.2	\$4.4	\$7.3	55,400
Southwestern Bell	\$10.7	\$4.7	\$6.5	58,400
US West	\$10.3	\$4.7	\$5.9	60,800
GTE	\$19.7	\$7.6	\$7.3	131,200
AT&T	\$67.2	\$11.3	\$13.0	308,700
MCI	\$12.0	\$2.8	\$3.6	31,000
Sprint	\$11.4	\$3.1	\$3.2	52,000
AirTouch	\$1.0	\$0.3	\$3.4	
Total	\$195.5	\$61.9	\$86.7	1,012,600

1. Earnings before interest, depreciation, amortization, and taxes
2. Total assets minus total liabilities as measured on the company balance sheet.